

TIPP CITY COUNCIL EXECUTIVE SESSION

TIPP CITY, MIAMI COUNTY, OHIO

DECEMBER 21, 2009

Executive Session

President Hale made a motion to go into Executive Session at 6:30 p.m. Motion was seconded by Mr. Beagle and unanimously approved. Executive session adjourned at 6:45 p.m. on a motion by President Hale, seconded by Mrs. Gillis and unanimously approved.

TIPP CITY COUNCIL STUDY SESSION

TIPP CITY, MIAMI COUNTY, OHIO

DECEMBER 21, 2009

Study Session

City Manager Jon Crusey opened the Study Session at 6:48 p.m. on this date.

Council members in attendance included John E. Kessler, Vickie Blakey, Bill Beagle, Dolores Gillis, George Lovett, Mayor Tim Evans, and President Patrick Hale.

Others in attendance: Utility Director Mo Eichman, Assistant Utility Director Christy Butera, Fire Chief Steve Kessler, Doug Arnold, Assistant City Manager Brad Vath, Finance Director Richard Drennen, Marie Hellman, Council members elect: Bryan Budding, Joe Gibson, and Katelyn Black, Nancy Bowman, and Clerk of Council Cathy Ross.

AMI Project

Mrs. Butera reviewed with Council the attached Powerpoint presentation. She noted that the price from Elster was lowered and that the City's Electric crews will be installing gatekeepers and repeaters to reduce installation expenses on water meters.

Mrs. Butera reported that this project will allow for better outage management and noted that the longer the City waits to replace meters, the more revenue will be lost. The City plans to start installation with a pilot area from February through June with a two month observation period. Full meter replacement is planned for July. Mrs. Butera added that the traffic interconnect project affects the installation of gatekeepers and repeaters because of the fiber being installed.

Mrs. Butera advised Council that the most critical step in this project is to keep property owners informed. She noted that updated meters will allow for a fair distribution of costs to electric and water customers and that remote data loggers can be used to prove that the meter is accurate. Mrs. Gillis questioned whether residents would be able to, for example, unplug an old refrigerator and find out how much electricity is being saved. Mrs. Butera stated that this would be possible with the new metering system. The new meters have a lifespan of 15-20 years and Mrs. Butera's goal is to stagger meter replacement in the future. She added that it is in the City's best interest to replace industrial meters more often.

TFAC Management

City Manager Crusey informed Council that only one proposal was received for the management of the Tippecanoe Family Aquatic Center, that

being Dayton Pool Management. The ordinance on the agenda provides for a three year contract, with the possibility of three one-year extensions. The contract provides for a shortened season of June 4-August 19th and for credits of \$170/hour if the pool is closed. Special events at the pool have not been attended well in the past and will be cancelled as part of this contract at a savings of \$6,000. Another change would be requiring guards to purchase their own uniforms for another \$3,600 in savings. Mr. Crusey stated that he does not recommend a rate increase, but does recommend offering an early bird offer.

Mr. Crusey noted that an individual approached the City about managing the pool, but his quote was \$60,000-70,000 higher than that of Dayton Pool Management.

Council discussed the possibility of running the pool in-house, but Mayor Evans stated that the City does not have a Human Resources Department or a full-time Parks and Recreation Department and therefore contracting the management out is the best way to run the pool.

Mr. Crusey informed Council that the contract with Dayton Pool Management does offer the possibility of cancelling as long as it is done before November 30th of each year with no fees involved.

Adjournment

The meeting was adjourned at 7:36 p.m.

Patrick Hale, President

Attest: _____
Cathy A. Ross, Clerk of Council

TIPP CITY COUNCIL MEETING

TIPP CITY, MIAMI COUNTY, OHIO

DECEMBER 21, 2009

Council Meeting

Council President Patrick Hale called to order the regular meeting of the Tipp City Council at 7:38 p.m. Roll call showed the following Councilmembers present: President Patrick Hale, Mayor Tim Evans, Dolores Gillis, Vickie Blakey, William Beagle, George H. Lovett, and John E. Kessler.

Others in attendance: Finance Director Richard Drennen, Assistant Utilities Director Christy Butera, Utilities Director Mo Eichman, Assistant City Manager Brad Vath, City Engineer Scott Vagedes, Fire Chief Steve Kessler, City Attorney Joseph P. Moore, and Clerk of Council Cathy Ross.

Guests signing the register included: Katie Black, Joe Gibson, Bryan Budding, Marie Hellman, Pete Batting, Steven Chaney, Andy Warren, Mike McFarland, Amy DeCamp, Vicki Appori, Tim and Carol Farron, Mark Mabelitini, Michael , Doug Lohnes, Steve Staub, Kevin Guigou, Rob Blakey, Jillian Blakey, and Bud O'Brien

Invocation and Pledge of Allegiance

Pastor Andy Warren of the Victory Assembly of God delivered the invocation and led the Pledge of Allegiance.

Approval of Agenda Approval

President Hale made a motion to amend the agenda to add Resolution D regarding the AFSCME agreement. Mrs. Gillis seconded the motion and it was unanimously approved. The amended agenda was approved on a motion by Mr. Beagle, seconded by Mr. Lovett, and unanimously approved.

Adoption of Minutes

Mr. Lovett moved, seconded by Mrs. Blakey, to approve the minutes of the December 7, 2009 post-meeting study session. The motion carried 7-0.

Mrs. Gillis moved, seconded by Mrs. Blakey, to approve the minutes of the December 7, 2009 meeting. The motion carried 7-0.

Presentations, Proclamations, and Awards

There were none.

Ordinance (Second Reading) Ordinance __-09 Income Tax

The following ordinances were presented to City Council for adoption.

An ordinance relating to the municipal income tax and amending Ordinance No. 40-72.

Clerk of Council Summary: This ordinance amends Section 39.50 of the Tipp City Municipal Code relating to income tax credit reduction.

City Manager Comments: This ordinance was postponed from City Council's September 21, 2009 meeting. The adoption of this ordinance would reduce the income tax credit granted to residents who pay a municipal income tax to another municipality. The Finance Department estimates that 40% of Tipp City residents pay Tipp City local income taxes while 60% of residents pay local income taxes to another municipality. Currently, residents are granted a

Ordinance 37-09
2010 Budget

1.25% (Tipp City's municipal income tax rate) credit for municipal income taxes paid to another municipality. In other words, if a resident pays a municipal income tax of 1.25% or higher to another municipality then that resident does not pay any municipal income tax to the City of Tipp City. This ordinance would reduce the income tax credit to 0.75% effective January 1, 2010 and to 0.50% effective January 1, 2013. The 10-year, 0.25% Park Levy is scheduled to expire December 31, 2012 whereby Tipp City's income tax rate will revert to 1.00%. This ordinance would require all residents who pay a local income tax to another municipality to pay the City of Tipp City an income tax of at least 0.50%. This change would not affect non-wage earners, such as retirees. The income tax credit reduction is scheduled to expire December 31, 2025 (15 years).

There being no further discussion, Mr. Kessler stated due to the economic conditions he wished to withdraw his sponsorship of this ordinance. This ordinance died due to lack of sponsorship.

An ordinance adopting the 2010 annual budget for Tipp City, Ohio.

Clerk of Council Summary: This ordinance adopts the operating budget for the fiscal and calendar year 2010 as proposed by the City Manager and reviewed by City Council.

City Manager Comments: The 2010 Operating Budget is submitted as presented to City Council at its November 23rd Workshop. However, during Council's review of the operating budget the City Manager's was directed by City Council to develop a plan to fund an additional \$314,000 in street improvements by reducing expenditures by \$200,000 and \$300,000 respectively. The City Manager's budget reduction plan will be reviewed with City Council in a study session prior to the December 7 Council meeting. Section 7.06(B) of the Tipp City Charter, AMENDMENT BEFORE ADOPTION, states "after the public hearing, the Council may adopt the annual operating budget with or without amendment . . ."

There being no further discussion, Mr. Beagle sponsored this ordinance and moved for its adoption as amended. Motion was seconded by Mr. Lovett. Mrs. Blakey stated that she would not be supporting this ordinance as there were several areas she did not agree with. She added that she would have liked to have seen Council drop health insurance. Mr. Lovett thanked staff and fellow staff members who gave extra time and effort in making a good faith attempt to try to free up funds for road improvements that are needed and noted that he would be supporting this ordinance. Roll call vote was taken. The ordinance failed with a 3-4 vote. Mrs. Blakey, Mr. Kessler, President Hale, and Mayor Evans voted no. Mr. Crusey informed Council that since this ordinance did not pass the City would not have a budget and would function on 1/12 of the prior years' appropriations each month. He added that the City would not be able to award contracts without a budget in place including the Water Tower project, AMR/AMI project, the management of the pool, etc. Mr. Lovett asked if the City would lose funding for the water tower project and stated that Council needed to take a hard look at the ramifications of the action they just took reminding them that this could cost this City hundreds of thousands of dollars. Mr. Lovett suggested that if there were changes that would allow someone to change their vote, they should be considered.

Council took a 30 minute recess to discuss options.

President Hale made a motion to reconsider the ordinance adopting the 2010 annual budget for Tipp City, Ohio. Mr. Beagle seconded the motion. The motion passed unanimously.

President Hale made a motion to amend the amended ordinance to include the following changes: the positions of Street and Parks Superintendent will not be eliminated, the transfer of one Parks employee to the Water Department will not occur, and the hiring of two additional part-time employees for the Parks Department will not occur. Motion was seconded by Mrs. Blakey. Mr. Beagle clarified that by making these changes Council is reducing reductions, but not expenses and will therefore have a more out-of-balance budget. He added that the budget can be reviewed throughout the year and can be changed. The motion was unanimously approved.

President Hale made a motion to adopt the amended 2010 annual budget for Tipp City, Ohio. Motion was seconded by Mrs. Blakey. Mr. Kessler stated that everything the City does is based on service to the community, and Council has worked really hard not to affect health and safety through budget cuts. However, in Mr. Kessler's opinion, if cuts are not made to staff, then they will have to be made in other ways as in street repair and he will therefore not be supporting the budget. Mayor Evans concurred with Mr. Kessler and noted that he did not support the budget last year. He added that Council will be passing a deficit budget and that citizens have made it clear that they want Council to make cuts in order to get the job done. Mr. Lovett stated that he didn't like the budget changes, but will support it. He added that Council may have to dip into reserves to do some road improvements, but that the City has reached a crisis point and has to make difficult decisions. Mr. Lovett stated that if this Council didn't have a budget this evening it could cost the City millions of dollars in funding. Roll call vote was taken and the amended ordinance was approved with a 5-2 vote. Mayor Evans and Mr. Kessler voted no. Ordinance 37-09 was declared passed.

Ordinance 38-09
Make Appropriations

An ordinance to make appropriations for current expenses and other expenditures of the municipality of Tipp City, Ohio during the fiscal year ending December 31, 2010.

Clerk of Council Summary: This ordinance establishes the specific appropriations called for in the above-mentioned 2010 fiscal budget year.

City Manager Comments: The appropriation ordinance is companion legislation to the approval of the operating budget. The appropriations budget authorizes the expenditure of funds while the operating budget sets forth the financial plan for the ensuing fiscal year, including estimated revenue and proposed expenditures. This appropriations budget mirrors the recommended expenditures set forth in the operating budget that was reviewed by Council on November 23rd, but may be amended to reflect changes made by City Council to the operating budget.

President Hale made a motion to amend the appropriations ordinance to reflect the changes made in the 2010 budget ordinance. Mrs. Blakey

**Resolutions
(One Reading Required)**
Resolution 44-09
AMR Project

seconded the motion and it was unanimously approved.

There being no further discussion, President Hale sponsored this amended ordinance and moved for its adoption. Motion was seconded by Mr. Beagle and passed with a 5-2 vote. Mr. Kessler and Mayor Evans voted no. Ordinance 38-09 was declared passed.

A resolution authorizing a contract with Elster of Raleigh, NC for the smart grid infrastructure and electric and water meter replacement project at a cost of \$1,838,111.00.

Clerk of Council Summary: This resolution authorizes the City wide replacement of all water and sewer meters and the implementation of a smart grid system.

City Manager Comments: The adoption of this resolution would authorize the City Manager to enter into a contract with Elster for the implementation of the AMR/AMI project at a cost of \$1,784,573 plus a 3% contingency amount of \$53,538. As part of this project the Electric Department will install repeaters and gatekeepers for a savings of \$102,960. This project involves the city-wide replacement of water and electric meters with "smart meters". Presently, 25% of water meters are older than 25 years while 70% are more than 10 years old. Additionally, 45% of electric meters have been in service longer than 25 years with 80% being more than 10 years in service. In addition to providing more accurate readings, the "smart meters" will allow for automatic meter reading, outage management and remote disconnects along with the ability to utilize time of use billing and load control in the future.

There being no further discussion, Mr. Beagle sponsored this resolution and moved for its adoption. Motion was seconded by Mr. Lovett and unanimously approved. Resolution 44-09 was declared passed and President Hale affixed his signature in witness thereto.

Resolution 45-09
Community Services
Contract

A resolution authorizing the City Manager of Tipp City, Ohio to enter into a contract with the Tipp-Monroe Community Services, Inc. for the provision of various recreational programs for the year 2010 at a cost not to exceed \$17,700.

Clerk of Council Summary: Authorizes the renewal of the Tipp-Monroe Community Services recreational programs contract at a cost not to exceed \$17,700.

City Manager Comments: The adoption of this resolution authorizes the City Manager to renew the contract with Tipp-Monroe Community Services for calendar year 2010 at a cost of \$17,700. TMCS conducts a variety of organized and continuing recreational, educational and enrichment programs for both youth and adults pursuant to schedules and specifications approved by the City Manager. The contract also specifies an additional sum of \$1,000 to be used for the "Mobile Meals" program on as need basis.

There being no further discussion, President Hale sponsored this resolution and moved for its adoption. Motion was seconded by Mrs. Gillis and unanimously approved. Resolution 45-09 was declared passed and

Resolution 46-09
Pool Management

President Hale affixed his signature in witness thereto.

A resolution authorizing the City Manager to enter into a contract with Dayton Pool Management, Inc. of Moraine, Ohio for the operations and management of the Tippecanoe Family Aquatic Center and authorizing the City Manager to negotiate terms and conditions therefore for calendar year 2010, 2011, and 2012.

Clerk of Council Summary: One proposal was received for the Operations and Management contract for the Tippecanoe Family Aquatic Center. This legislation authorizes the City Manager to negotiate an agreement with Cincinnati Pool Management to operate the Center for 2010, 2011 and 2012.

City Manager Comments: The adoption of this resolution would authorize the City Manager to enter into a contract with Dayton Pool Management (DPM), Inc. for the management and operation of the Tippecanoe Family Aquatic Center for the 2010, 2011 and 2012 seasons with the option to authorize three one-year extensions. Requests for Proposals were received for the management and operation of the aquatic center on November 6, 2009 with Dayton Pool Management being the only responsive firm. Cincinnati/Dayton Pool Management has professionally managed and operated the aquatic center since its opening in 2005. DPM submitted a three-year cost to management and operate the aquatic center of \$319,500 annually. Staff believes that this amount can be reduced to \$309,900 annually by eliminating Special Events and Programs and by requiring aquatic center staff to purchase their own uniforms.

There being no further discussion, Mrs. Blakey sponsored this resolution and moved for its adoption. Motion was seconded by Mr. Lovett. President Hale stated that he would be voting in favor of this resolution noting that it could be terminated by November 30, 2010 should another option become available. Motion was passed with a 7-0 vote and Resolution 46-09 was declared passed and President Hale affixed his signature in witness thereto.

Resolution 47-09
AFSCME Agreement

A resolution authorizing the City Manager of the City of Tipp City, Ohio to enter into an agreement on behalf of the City with the American Federation of State, County & Municipal Employees (AFSCME), dealing with matters covering wages, benefits, hours, terms and conditions of employment with the City of Tipp City, Ohio for the non-supervisory employees of the various service and utility departments.

City Manager Comments: The adoption of this resolution would authorize the City Manager to enter into a 3 year collective bargaining agreement with the American Federation of State, County & Municipal Employees. AFSCME represents the service employees of the City within the departments of electric, water, wastewater, streets, and parks. The main parts of this agreement include a 0% wage increase for 2010, with a wage reopener for 2011 and 2010, not implement any long term layoff for 2009-2010, and the union accepts same number of furlough days as the FOP.

There being no further discussion, Mr. Kessler sponsored this

Ordinance First Reading
Reorganizations

resolution and moved for its adoption. Motion was seconded by Mrs. Gillis and unanimously approved. Resolution 47-09 was declared passed and President Hale affixed his signature in witness thereto.

Mr. Kessler sponsored an ordinance amending Chapter 37 including Appendix Exhibit "A" of the Codified Ordinances of the City of Tipp City for all City employees not covered by a collective bargaining agreement.

Clerk of Council Summary: This amendment eliminates the positions of Superintendent of Parks and Superintendent of Streets and creates a new position of Public Service Superintendent. It also modifies the tuition reimbursement provisions for Chapter 37 employees.

City Manager Comments: Mr. Crusey stated that given the changes Council made in the budget and appropriations, Council would need to amend this ordinance to eliminate the Superintendent of Parks and Superintendent of Streets and the creation of a new position of Public Service Superintendent, but keeping the tuition reimbursement provisions.

Mrs. Blakey made a motion to amend the ordinance as stated above. Mr. Beagle seconded the motion and it was unanimously approved.

Mr. Kessler sponsored the amended ordinance.

AMR Notes

Mrs. Gillis sponsored an ordinance providing for the issuance and sale of notes in the maximum principal amount of \$1,400,000, in anticipation of the issuance of bonds, for the purpose of paying the costs of improving the municipal waterworks system by constructing a water storage tower and acquiring related real estate and interests therein and preparing the site therefore, together with all necessary appurtenances thereto.

Clerk of Council Summary: This legislation authorizes the issuance of bond anticipation notes in an amount not to exceed \$1,400,000 to finance certain costs associated with the Water Storage Tower project.

City Manager Comments: The adoption of this ordinance would authorize the Finance Director to issue \$1,400,000 worth of notes for the City's share of the construction of a new 1 million gallon water tower on Success Circle. Following the construction of the new water tower additional notes will be issued for the renovation of the existing 1 million gallon water tower. The demolition of the Bowman Avenue water tower will be paid for directly from the Water Fund. At the conclusion of this project bonds will be issued for the long-term financing of the debt. The City has been awarded a \$700,000 Ohio Public Works Commission (OPWC) grant, \$75,000 in OPWC loan assistance, and a \$425,000 20-year, 0% interest loan to assist in the financing of this project.

Notes

President Hale sponsored an ordinance providing for the issuance and sale of notes in the maximum principal amount of \$1,250,000, in anticipation of the issuance of bonds, for the purpose of paying the costs of acquiring and installing an advanced metering system to be used in connection with the municipal electric and water utilities, together with all necessary appurtenances thereto.

Clerk of Council Summary: This legislation authorizes the issuance of bond anticipation notes in an amount not to exceed \$1,250,000 to finance certain costs associated with the Advanced Metering System project.

City Manager Comments: This ordinance authorizes the Finance Director to issue \$1,250,000 worth of notes for the city's share of the AMI project. At the conclusion of the project, bonds will be issued for the long term financing of the debt. The city has been awarded a \$600,000 OPWC 0% interest loan for the water meter portion of this project.

Motions

Council Schedule

Mrs. Blakey made a motion approving the 2010 Council Schedule. Motion was seconded by Mr. Beagle and approved 7-0.

Water Dept. Position

President Hale made a motion authorizing the City Manager to fill the vacant position in the Water Department. Motion was seconded by Mrs. Blakey and approved with a 4-3 vote. Mr. Kessler, Mayor Evans, and Mrs. Gillis voted no.

NAWA Position

Mr. Beagle made a motion authorizing the City Manager to hire a new NAWA Water Treatment Plant Operator. Mr. Crusey noted that the NAWA budget is a joint venture between Tipp City and City of Vandalia and includes hiring one Water Treatment Plant Operator. The City of Vandalia handles the finances of NAWA and Tipp City employs the staff. The cost of the employee is split between the City of Vandalia and Tipp City. Motion was seconded by Mr. Lovett and approved 6-1. Mr. Kessler voted no.

Citizen Comments

Mr. Steve Staub, 849 Stonehenge Dr., noted the budget item on the agenda and stated that though Mr. Lovett stated that "we have reached a crisis point and must make tough decisions", Mr. Staub does not feel that this occurred tonight. He added that Councilmember Blakey stated that she felt that Councilmembers should eliminate insurance coverage and he agrees with that. Mr. Staub stated that when asking the City and employees/staff to take cuts, Council should set an example. Mr. Kessler stated that as a retiree of the State of Ohio, if the City offers insurance, he has to take it, per the ORC.

**Councilmember
Comments**

Mrs. Blakey thanked the citizens of Tipp for electing her to council and stated it has been a great honor serving. She reviewed some of the projects she encountered during her 8 years of service and offered some advice to new Councilmembers. She thanked staff for their guidance, support, and patience and wished them success. She thanked her family for their support during the 8 years. Mrs. Blakey finished by offering her best wishes to Council, Community and City staff and wished everyone a Merry Christmas and a Happy New Year.

Mr. Beagle announced that Community Services has their new strategic plan in place and stated that there are vacancies on the board. The Tipp City Area Arts Council will host the Art for the Heart on Saturday, February 6th at the Zion Lutheran Church. The Downtown Tipp City Partnership is also looking for Board members. Mr. Beagle congratulated new Councilmembers and wished them luck and thanked Mrs. Blakey and Mayor Evans for their years of service. He thanked the staff and stated that they have worked very hard for the citizens of Tipp City. He also thanked his friends and supporters through the years, and thanked his family for their support and for being his source of

strength. Mr. Beagle added that there is nothing more humbling than to win an election and to have so many people entrust you with the welfare of the City. He ended by thanking the citizens of Tipp and wishing everyone the best of holidays.

Mayor Evans stated that it is extremely humbling to be placed in a position like this by the Citizens. He thanked the staff for doing a fantastic job and for their input and hard work and offered his thanks to his fellow Councilmembers for allowing him to be the Mayor for the past two years. Mayor Evans also congratulated Mr. Beagle and Mrs. Blakey for their years of service to the City and offered the best of luck to the new Councilmembers. He finished by thanking his wife and his staff for their support for the past 4 years and encouraged citizens to stay engaged and to continue to provide feedback and support to Council.

Mr. Lovett thanked the outgoing Councilmembers for their service and stated that he looks forward to serving with the new Councilmembers. He added that he hoped those of the Jewish faith had a Happy Hanukah and wished all Christians a Merry Christmas.

Mrs. Gillis congratulated outgoing Councilmembers for their service and noted that she appreciated having their wisdom when she came on Council. She thanked incoming Councilmembers for wanting to serve and wished everyone Happy Holidays.

Mr. Kessler thanked outgoing Councilmembers for helping him when he first came on Council and then welcomed the new Councilmembers. He wished a Merry Christmas to everyone.

President Hale thanked staff for all their hard work on the budget and welcomed the new Councilmembers and stated that he looks forward to working with them.

City Manager Comments

City Manager Crusey thanked outgoing Councilmembers for their guidance and dedication to the City during the transition to a new City Manager.

Presentation of Plaques

President Hale presented plaques to Councilmembers Blakey, Beagle, and Evans.

Adjournment

The meeting was adjourned at 9:15 p.m. on a motion by Mrs. Blakey, seconded by Mrs. Gillis and unanimously approved.

Patrick Hale, President

Attest: _____
Cathy Ross, Clerk of Council

||